

*Town of Midway*

*Proposed Budget and*

*Budget Message*

*For the Fiscal Year Ending June 30, 2017*

Prepared

By

Gary Looper, Interim Town Manager

Honorable Mayor Byrum and  
Town of Midway Council Members:

The General Fund Budget for fiscal year ending June 30, 2017 is hereby presented for the amount of \$ 1,586,100. This budget represents provision of quality, conservative public services that balances such provisions between residential and business communities without burdening either. Our goals represent a sense of balance between resident quality of life, business opportunity, future recreational amenities, and sound financial management that emphasizes limited debt.

The Town is ahead of the original amortization schedule for payoff of the sewer line. Previous additional principal payments, combined with an additional \$25,000 principal-only payment during this fiscal year, will leave an unpaid balance of approximately \$65,800. The original debt of \$933,500 is now schedule for payment in full by January, 2018.

The purchase of 38 acres of land off Gumtree Road in 2013 has resulted in completion of the new Midway Town Hall. The majority of the remaining land is intended for future recreational use. This budget allocates funds to continue development of three to six acres of improved open space for resident use. The Town Council is committed to future development of the entire acreage, and this year focuses on continued evaluation of plans and infrastructure improvements that enhance quality of life and economic opportunity within the community.

The proposed tax rate remains unchanged at five cents (.05) per \$100 valuation.

This budget includes General Fund Budget.

The following municipal services are offered.

- Solid waste and recycling collection
- Street Lights
- Land use planning and zoning
- Augmented public safety

This budget is balanced and prepared in accordance with the North Carolina Budget and Fiscal Control Act. On June 6, 2016, the Town Council will hold a public hearing on the fiscal year ending June 30, 2017 budget. Any person who wishes to be heard on the budget may appear at that time. This budget may be reviewed at the Town Hall or on-line at [TownofMidway.com](http://TownofMidway.com).

This budget respectfully submitted, this 23rd day of May, 2016.

Gary Looper  
Interim Manager

Town of Midway  
Budget for FYE June 30, 2017  
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Town of Midway  
Budget for FYE June 30, 2017

**General Fund Revenues**

	Actual FYE 6/30/15	Budget FYE 6/30/16	Actual 3/31/2016	Projected FYE 6/30/16	Budget 6/30/2017
<b>Ad Valorem Taxes</b>					
Taxes-Ad Valorem -Current	164,398	165,000	156,500	165,900	159,000
Taxes-Ad Valorem- Prior	3,303	3,800	4,150	4,150	3,400
DMV			16,284	16,400	15,000
Penalties & Interest	730	800	1,232	1,250	1,000
Refunds/Discounts	(1,645)	(1,600)	(126)	(300)	(900)
<b>Total Ad Valorem Taxes</b>	<b>179,302</b>	<b>\$ 168,000</b>	<b>\$ 178,040</b>	<b>\$ 187,400</b>	<b>\$ 177,500</b>
<b>Other Taxes and Licenses</b>					
Sales Tax	865,551	760,000	749,667	879,667	840,000
<b>Total Other Taxes and License</b>	<b>865,551</b>	<b>\$ 760,000</b>	<b>\$ 749,667</b>	<b>\$ 879,667</b>	<b>\$ 840,000</b>
<b>Intergovernmental</b>					
Utility/Franchise Taxes	187,063	190,000	129,743	184,000	175,000
Solid Waste Tax	2,344	2,000	2,256	2,800	2,200
<b>Total Intergovernmental</b>	<b>189,407</b>	<b>192,000</b>	<b>131,999</b>	<b>186,800</b>	<b>177,200</b>
<b>Other Revenue</b>					
Other Revenue	10,163	1500	18258	17400	5000
Investment Earnings	5,926	8,000	2,689	3,300	3,300
Planning Permits	461	500	1,040	1,300	1,000
Tap Fee & Capital Recovery	-	-	-	-	-
<b>Total Other Revenues</b>	<b>16,550</b>	<b>10,000</b>	<b>21,987</b>	<b>22,000</b>	<b>9,300</b>
<b>Fund Balance Appropriated</b>	<b>-</b>	<b>\$ 1,070,900</b>	<b>\$ 1,070,900</b>	<b>\$ 1,070,900</b>	<b>\$ 382,100</b>
<b>Total General Fund Revenues</b>	<b>\$ 1,250,810</b>	<b>\$ 2,200,900</b>	<b>\$ 1,081,693</b>	<b>\$ 1,275,867</b>	<b>\$ 1,586,100</b>

**Ad Valorem Taxes:**

The estimated tax levy for the 2016-2017 budget is \$ 177,400 and the tax rate is five (.05) cents per hundred dollars, and based on a 97.69 % collection rate

**Sales Tax:**

Sales tax is based on estimated actual for the 2014-2015 year, and anticipated 1.6% increase for FY 2016 and 4.5 % decrease for FY 2017.

**Intergovernmental Revenues:**

Utility Franchise taxes include piped natural gas excise tax, electricity franchise tax, telecommunications sales tax and video franchise tax. The estimate revenues are based on North Carolina League of municipality's estimates of uncertain mixed receipts. Some increase is expected with electric use, but may be offset with decreased receipts for the other utilities for both FY 2016 and 2017.

**Solid Waste Tax:**

The Town percentage of the State's Solid Waste Tax, this revenue is to be used to offer recycling services.

**Other Revenues**

Investment earnings.

Based on current year's receipts. Historically low rates are expected to continue for the near future.

**Planning Fees:**

Permit fees collected since the contract with Benchmark when the Town assumed planning functions from Davidson County.

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**Capital Recovery and Tap Fees:**

Capital recovery and tap fees continue resulting from connections to sewer have not experience revenue in FY 2016.

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**General Fund Appropriations**

FY 2017	Actual	Budget	Actual	Projected	Budget
	FYE 6/30/15	FYE 6/30/16	3/31/2016	FYE 6/30/16	6/30/2017
Governing Board	35,586	41,100	28,591	34,300	<b>42,800</b>
Administration	450,275	682,850	466,084	553,399	<b>405,650</b>
Public Safety	75,546	74,500	74,499	74,499	<b>75,000</b>
Public Works	333,353	867,150	788,886	882,880	<b>607,500</b>
Planning & Zoning	41,017	48,300	30,122	39,353	<b>50,150</b>
Economic Development	-	10,000	10,000	10,000	-
Debt Service	147,182	177,000	252,121	248,254	<b>155,000</b>
Sewer Extension	-	50,000	3,500	3,500	<b>250,000</b>
<b>Total Appropriations</b>	<b>1,082,959</b>	<b>\$ 1,950,900</b>	<b>\$ 1,653,803</b>	<b>\$ 1,846,185</b>	<b>\$ 1,586,100</b>

**Governing Board Appropriations**

The Governing Board provides legislative and policy leadership for the Town and directs the administration of all departments and boards.

	Actual	Budget	Actual	Projected	Budget
	FYE 6/30/15	FYE 6/30/16	5/12/2016	FYE 6/30/16	<b>6/30/2017</b>
Compensation	27,000	27,000	21,450	26,000	27,000
Payroll Tax Expense	2,617	1,900	1,641	2,300	2,300
Accounting Fees	5,500	5,500	5,500	5,500	5,500
Travel/Meetings & Events	469	6,700	-	500	8,000
<b>Total Governing Board Appropriations</b>	<b>35,586</b>	<b>\$ 41,100</b>	<b>\$ 28,591</b>	<b>\$ 34,300</b>	<b>\$ 42,800</b>

Compensation: Council pay for all meetings, regular scheduled meeting and special meetings.  
 Regular scheduled meetings are monthly; special meetings on as-needed basis.

Accounting Fees: Required annual audit

Travel / Meetings support attendance for recurring updates to statutory requirements and best management practices.

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Budget for FYE June 30, 2017

**Administration  
Appropriations**

	Actual	Budget	Actual	Projected	Budget
	FYE 6/30/15	FYE 6/30/16	3/31/2016	FYE 6/30/16	6/30/2017
Salaries	98,604	120,000	103,376	138,000	138,000
Payroll Tax Expense	6,777	10,000	7,965	10,557	9,500
Retirement	9,934	5,300	5,998	7,798	7,400
Unemployment	119	500	65	500	1,000
Group Insurance	10,284	11,000	7,517	10,000	9,800
Supplies	6,793	7,000	13,604	16,325	9,600
Travel/Meetings/Education	273	4,000	2,856	3,808	5,000
Bank Charges	193	-	12	150	150
Grants	10,225	10,000	11,209	11,209	10,000
Mileage Reimbursement	2,416	2,500	157	250	1,500
Telephone	4,640	3,900	1,814	3,500	4,200
Postage	152	3,000	279	400	1,000
Utilities-Tow n Hall	6,621	3,500	12,730	15,500	15,000
Water-Sew er	1,724	1,250	2,527	3,045	5,000
Printing	1,873	3,000	-	-	1,000
Maintenance and Repairs	295	2,500	1,879	2,505	2,500
Advertising	2,714	2,500	-	500	1,500
Midw ay Economic Development	-	25,000	-	-	25,000
Contracted Services	9,093	10,000	35,901	42,000	45,000
Codify Ordinances	-	15,000	-	-	15,000
Rent	4,800	2,400	6,655	7,055	-
Insurance and Bonding	6,207	6,500	6,142	6,142	6,500
Dues & Subscriptions	7,207	7,500	7,080	7,200	7,500
License / Permits	-	-	160	160	500
Capital and Non capital outlay	17,087	25,000	16,256	20,000	18,000
Remodeling	164,155	200,000	153,349	153,349	-
Tow n Hall Supplies / Equipment	-	20,000	182	182	-
Tow n Hall Furnishings	-	60,000	15,139	15,549	2,500
Tow n Hall Security / A-V	-	65,000	24,715	24,715	-
Landscaping Tow n Hall	36,670	-	-	-	-
Legal & Professional	23,005	40,000	28,028	35,000	45,000
Tax Collection Fees	14,859	16,500	-	17,500	18,000
Other	343	-	489	500	500
Appreciation Dinner	3,212	-	-	-	-
<b>Total Administration Appropriations</b>	<b>\$ 450,275</b>	<b>\$ 682,850</b>	<b>\$ 466,084</b>	<b>\$ 553,399</b>	<b>\$ 405,650</b>

The Administrative Staff maintains the Town records, ensures compliance with North Carolina State Statues and local ordinances, prepares financial information, acts as intermediary between the governing board and citizens, and monitors all other departments.

**Salaries:** Town Manager, Clerk, and Administrative Assistant.

**Retirement and Group Insurance:** Full time employees or half-time employees (as regulated by the North Carolina Local Government Retirement System.)

**Grant:** Grants for recreation or development activities as approved by council on an individual basis.

**Rent:** No rent anticipated due to completion of new town hall.

**Contract Services:** Any contracts that the Town might need during the year. The Town has used these funds for web page administration, rights-of-way maintenance, equipment or facility maintenance.

**Insurance:** Workers Compensation, Property, Liability & Bonding

**Legal and Professional Services:** Attorney, Engineering, etc.

**Capital and non-capital outlay:** additional needs for New Town Hall; furniture, Two 4-drawer fire proof cabinets; updated accounting software.

**Public Safety Appropriations**

To enforce the law in an impartial manner, recognizing the statutory and judicial limitation of law enforcement authority and the constitutional rights of all people. The Town of Midway contracts for service with the Davidson County Sheriff's Department.

	Actual FYE 6/30/15	Budget FYE 6/30/16	Actual 3/31/2016	Projected FYE 6/30/16	Budget 6/30/2017
Contract Services	74,499	80,000	-	74,499	75,000
<b>Total Public Safety Appropriations</b>	<b>75,546</b>	<b>\$ 74,500</b>	<b>\$ 74,499</b>	<b>\$ 74,499</b>	<b>\$ 75,000</b>

**Public Works Appropriations**

	Actual FYE 6/30/15	Budget FYE 6/30/16	Actual 3/31/2016	Projected FYE 6/30/16	Budget 6/30/2017
Salaries	-	-	0	0	-
Payroll expense	-	150	0	0	-
Utilities/Street Lights	22,970	60,000	19,928	24,910	26,000
Utilities-Poles	-	-	472	674	600
Utilities- Pump Station	2,496	2,000	1,490	2,219	2,200
Contract Service-solid waste & recycling	284,329	290,000	261,948	315,600	320,000
Contract Other	-	-	26,015	31,343	28,000
Signs	-	-	2,574	2,574	500
Beautification Project	-	165,000	98,008	125,000	125,000
Debris	-	100,000	-	-	-
Transportation / Roundabout	-	-	-	-	2,000
Transportation / Brake Access	10,458	-	-	-	2,000
Exterior Town Hall (flag, sign)	-	25,000	6,844	5,000	-
Town Hall - Site Prep / Parking	-	175,000	340,560	340,560	-
Landscaping	13,100	50,000	31,047	35,000	1,200
Town Park Recreational Development	-	-	-	-	100,000
<b>Total Public Works Appropriations</b>	<b>333,353</b>	<b>867,150</b>	<b>788,886</b>	<b>882,880</b>	<b>607,500</b>

The Public Works Department is responsible for maintenance of public buildings and grounds, maintenance of equipment, compliance with Federal and State mandates, right of way maintenance and landscaping.

**Streets lights:** Utility costs for current lights; potential increase for number of street lights and purchase of poles.

**Utilities Pump Station:** Electricity and telephone located at the pump stations

**Contracted residential garbage service and recycling;** once weekly service.

**Beautification Project:** Potential projects to enhance the visual aspects of the Town.

**Contract – Other:** Rights-of-way maintenance and town hall landscaping.

**Town Park Recreational Development:** update of plans for future recreational facilities, and potential construction of 3 to 6 acres of green space for resident use adjacent to town hall. Study and update plans for provision for future street access and sewer to recreational complex.

**Planning & Zoning Appropriations**

	Actual	Budget	Actual	Projected	Budget
	FYE 6/30/15	FYE 6/30/16	5/12/2016	FYE 6/30/16	6/30/2017
Salaries	7,800	8,500	6,300	7,590	8,500
Payroll Expense	810	800	482	643	650
Travel/Meetings		-	-	-	4,000
Code and ordinance enforcement		10,000	-	-	5,000
Contract Services	32,407	29,000	23,340	31,120	32,000
<b>Total Planning &amp; Zoning</b>	<b>41,017</b>	<b>\$ 48,300</b>	<b>\$ 30,122</b>	<b>\$ 39,353</b>	<b>\$ 50,150</b>

**Planning Board Salaries:** 12 regular meetings and 2 special meetings with consultant.

**Contract Service:** Contract with Benchmark for planning and inspection services.

**Debt Service**

	Actual	Budget	Actual	Projected	Budget
	FYE 6/30/15	FYE 6/30/16	5/12/2016	FYE 6/30/16	6/30/2017
Principal Payment	125,000	150,000	225,000	225,000	125,000
Interest Payment	22,182	27,000	27,121	23,254	30,000
<b>Total Debt Service</b>	<b>147,182</b>	<b>177,000</b>	<b>252,121</b>	<b>248,254</b>	<b>155,000</b>

To pay the debt service on sewer project. Extra \$25,000 for additional principal payment on loan. Loan balance as of 6/30/2016 is \$198,000. Anticipated balance as of 6/30/2017 will be approximately \$66,000.

**Sewer Extension**

	Actual	Budget	Actual	Projected	Budget
	FYE 6/30/15	FYE 6/30/16	5/12/2016	FYE 6/30/16	6/30/2017
<b>Sewer Extension</b>	<b>-</b>	<b>50,000</b>	<b>3,500</b>	<b>3,500</b>	<b>250,000</b>

Sewer Extensions as needed to service future Town Park Recreational Development.